

Testimony by Arnold Fields  
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Before the  
Subcommittee on National Security and Foreign Affairs  
Committee on Oversight and Government Reform

*Afghanistan and Pakistan: Accountability Community  
Oversight of a New Interagency Strategy*

September 9, 2009

Chairman Tierney, Ranking Member Flake, Members of the Subcommittee:

Thank you for inviting me to appear before you today to discuss oversight of the U.S. government's new interagency strategy in Afghanistan and Pakistan. The Special Inspector General for Afghanistan Reconstruction (SIGAR) was established to provide oversight of U.S. funds made available for the reconstruction of Afghanistan. Therefore, I will discuss my office's audits, inspections, and investigations work on Afghanistan reconstruction, showing that SIGAR is ramping up its oversight. I will also describe how SIGAR coordinates its work with other oversight agencies.

Over the last year, SIGAR has grown from an office of 2 to an office of 46 and will continue to grow so that it can do the oversight that the Congress expects. We have established offices in Arlington, Virginia, and Kabul, Afghanistan, and have office space in three other locations in Afghanistan. We have hired auditors, inspectors, and investigators and are producing results.

While ramping up, we have watched closely as the U.S. government has developed a new, larger, and more aggressive policy in Afghanistan. We have also worked with other members of the oversight community to make sure that oversight work is coordinated and not duplicative, targets the highest priority areas, produces positive changes, and does not overburden the U.S. civilian and military personnel who are implementing the reconstruction programs.

The new U.S. strategy in Afghanistan seeks to expand and integrate civilian and military efforts to stabilize the country. Its top priority is to help the Afghan people build the capacity they need to provide for their own security and to govern effectively and transparently at the local, provincial, and national levels. The strategy calls for more money. The U.S. Congress has appropriated about \$38 billion to rebuild Afghanistan from fiscal years 2002 through 2009. The President's fiscal year 2010 budget request includes additional resources for Afghanistan which would bring U.S. funding for the reconstruction to about \$50 billion through fiscal year 2010. In addition, more than 70 other countries, the United Nations, the World Bank, the International Monetary Fund, and other international organizations have pledged more than \$25 billion for Afghanistan's reconstruction over the past seven years.

SIGAR has met regularly with senior U.S. government officials in both Washington and Afghanistan over the last several months as the new U.S. strategy has evolved. In Kabul, we attend, as observers, the U.S. Embassy's weekly country team meeting, as well as meetings held by the rule-of-law working group, the executive working group, and the anticorruption working

group. These meetings, and our ongoing audits and inspections, have helped us monitor the Administration's development of a new approach in Afghanistan, and we are using the information we receive as a basis to adapt and expand our oversight plans.

In developing our oversight plans, SIGAR has taken into account the evolving U.S. strategy, including the need to consider assistance from other donors and not just U.S.-funded programs. SIGAR has also considered the Afghanistan National Development Strategy, or the ANDS, which the U.S. government and the international community support. The ANDS established broad goals in three inter-dependent reconstruction pillars: Security, Governance, and Development. In addition to these three pillars, the ANDS identified six cross-cutting issues including regional cooperation, counter-narcotics, anticorruption, gender equality, capacity, and the environment. The new U.S. strategy affects each of these pillars and cross-cutting issues. As a result, SIGAR formulated its audits and inspections plans to target high priority areas that have the greatest impact on the broader goals set forth by the President.

I will now turn to our work, beginning with what we have done and what we are planning to do in the area of security. Although we have much more to do, this work shows that we are well on our way in ramping up to provide effective oversight of the expanding reconstruction programs in Afghanistan.

## SECURITY IS ESSENTIAL TO RECONSTRUCTION

The current security situation is neither conducive to building and repairing infrastructure, nor to developing Afghan government capacity to hold elections, provide justice, or meet the basic needs of the Afghan people. This is why U.S. policy focuses heavily on security. An essential part of the new strategy is to develop significantly larger Afghan military and police forces capable of providing security for the Afghan population. But training and equipping Afghan forces is expensive and these programs have not been very effective in part because they have been replete with accountability problems. A major emphasis of SIGAR's work will be on assessing the effectiveness of these security assistance programs and ensuring that accountability measures are in place.

A substantial portion of the U.S. reconstruction funds—some \$15 billion—has been allocated through the Afghanistan Security Forces Fund to train and equip the Afghanistan National Army and the Afghanistan National Police. The new U.S. strategy seeks to increase dramatically the number of Afghan troops and police. In response, SIGAR is devoting a large amount of its resources to the review of security issues.

SIGAR's first audit assessed the contract oversight capabilities of the Combined Security Transition Command-Afghanistan (CSTC-A). Combining USFOR-A, the Afghanistan government and U.S. coalition partners, CSTC-A is the joint command responsible for the management of U.S. programs to develop the Afghan National Army and Police. SIGAR's review of CSTC-A's management of a \$404 million contract for training and mentoring of the Afghan security forces found that, despite the importance of the training mission, CSTC-A did not have the capability to ensure that U.S. funds were managed effectively and spent wisely. Because a lack of oversight increases the likelihood of taxpayer dollars not being used as intended, SIGAR recommended that CSTC-A strengthen its oversight capabilities. As a result of

this audit, the Defense Contract Management Agency (at the request of CSTC-A) dispatched a team of contract specialists in July to conduct a review of the contract management and oversight for U.S.-funded CSTC-A contracts. This example demonstrates how a targeted audit immediately improved oversight of contracts that are critical to the U.S. mission in Afghanistan. Later this year, SIGAR will return to CSTC-A to review what it has done to strengthen contract oversight.

As the U.S. government expands funding to train and equip Afghan Security Forces, SIGAR is also expanding its oversight coverage. In early September, SIGAR initiated an audit to evaluate the capabilities of the Afghan security forces, including methods used to assess readiness and the reliability of capability ratings. At the end of this month SIGAR plans to begin another audit which will look at how the U.S. government accounts for the payments to Afghan Security Forces to ensure that salaries are not paid to ghost employees, as happened in Iraq. In October, we plan to commence a series of inspections of the \$45 million construction project at the Afghan National Police Support Facilities near Kandahar, later expanding similar inspections to other parts of Afghanistan. Finally, we have been approached by the International Security Assistance Force<sup>1</sup> in Afghanistan asking for our help in auditing various issues with the Afghan National Army and the Afghan National Police.

Because serious security problems exist throughout much of Afghanistan, the U.S. government employs security personnel through private contracts. In addition, contractors receiving U.S. funds employ security guards so that they can carry out construction and other projects. There have been reports including one received through our Hotline from a U.S. contractor that some of the security is provided by people connected to the Taliban and that U.S. reconstruction funds are flowing through those sources to the Taliban. Today, SIGAR has three auditors in Afghanistan reviewing how the U.S. government and reconstruction contractors are providing for contractor and project security. We are looking at how each U.S. agency contracts for its security needs and the degree of oversight it exercises over its contractors. Based on our preliminary work there are at least 14,000 private security contractors working directly for U.S. agencies. But the U.S. government does not know how many other persons are providing protection services to contractors working on reconstruction activities or who these people are. This is a major concern that needs extensive oversight. Over time, we expect our work to identify policy issues associated with private security contractors, as well as issues associated with specific contracts, such as contract management and contractor performance and compliance with requirements for transparency and accountability.

## GOVERNANCE AND ECONOMIC DEVELOPMENT

The U.S. strategy calls for increased investment in programs to improve governance and spur economic development, accompanied by a surge of civilian personnel. It also calls for greater Afghan participation in the reconstruction of their country. Since the President announced the new U.S. strategy, the Administration has focused on two governance issues. The first was supporting the Afghan effort to conduct credible presidential and provincial council elections. The United States viewed last month's elections, the first to be managed by the Afghans, as a key strategic event in Afghanistan. The second issue is corruption, which is seen as undermining

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<sup>1</sup> The International Security Assistance Force (ISAF) is led by NATO and supports the Afghan Government with military and security assistance.

every aspect of the reconstruction effort as well as the overall credibility of the Afghan government.

SIGAR is providing oversight in both these areas. We just completed a review of the election process and we have launched an anti-corruption initiative that will assess the performance and capability of various Afghan government institutions at the national and provincial level to apply internal controls, mitigate risks of corruption, and improve accountability over U.S. and other donor funds. Today, I have two auditors looking at the capabilities and performance of Afghanistan's High Office of Oversight and what the United States and other donors are doing to strengthen it.

SIGAR is also assessing U.S. management controls and oversight of key programs, assessing coordination and effectiveness of development projects and program sectors, inspecting infrastructure construction and management of Provincial Reconstruction Teams, investigating criminal misconduct, and measuring Afghan perceptions.

#### Assistance to Elections

SIGAR has followed the election process closely and we provided an initial report to the U.S. Embassy in Kabul in July 2009. Our second report on the election process, which will be issued later this month, identified international assistance for Afghanistan's 2009 elections and the extent to which this assistance was used to strengthen the capacity of Afghanistan's Independent Election Commission.

U.S. and donor assistance for the elections was about \$485 million. The United States, a major donor, contributed over half – about \$260 million. SIGAR reported that the Afghan electoral institution faces significant challenges, particularly for the 2010 district and parliament elections, because it lacks expertise and resources to conduct future elections without continued international support. Sustainable electoral capacity is of key importance in lessening dependence on international aid for future elections. SIGAR is making recommendations to the U.S. Ambassador in Afghanistan to assist the Afghan government to jointly develop, with the United Nations and key stakeholders, an overall strategy and detailed plan for building and sustaining electoral capacity.

In October, SIGAR expects to issue a report on the participation of women in the presidential and provincial council elections. Early next year we plan to complete a final report on the results and conduct of the August 2009 elections, including lessons learned.

#### Afghan Internal Controls, Accountability, and Anti-corruption

The U.S. government has determined that strengthening Afghanistan's institutional ability to prevent corruption is a priority of the reconstruction program. The government of Afghanistan has also appealed to various U.S. government officials to help strengthen its capacity to establish internal controls and improve accountability, both of which are important deterrents to corruption. In fact, the President of Afghanistan and the Minister of Interior directly asked the

Special Inspector General for help in this area. Because SIGAR believes that internal controls, effective anti-corruption measures, and strong accountability, together, are essential to the success of the reconstruction effort, we have launched a major initiative to review what the U.S. and other international donors are doing to build anti-corruption measures within the Afghan institutions. In addition, our work will assess the internal controls and accountability exercised by key Afghan governing institutions at the provincial and national level.

Earlier this month SIGAR began an audit of U.S. and other donor efforts to strengthen the capabilities of Afghanistan's High Office of Oversight.<sup>2</sup> This office coordinates and implements both the country's anti-corruption strategy and its administrative reforms. During the conduct of this and similar audits of other Afghan government institutions, we believe that our oversight will help inform Afghan officials of areas of deficiency in oversight and accountability. Although SIGAR will not conduct training, our audit process will help Afghan officials, as well as U.S. and other international donor personnel, to better understand the importance of internal controls, accountability, and strong anti-corruption measures.

In August, SIGAR issued the first in what will be a series of reports on aspects of U.S. efforts to deter corruption and strengthen the rule of law. This report found that insufficient funding and inadequate provision for utilities delayed construction of detention facilities urgently needed at the Counter-Narcotics Justice Center in Kabul. As a result, funds meant to build essential prison cells had not been used. This center, a critical component of the U.S. and Afghan counter-narcotics efforts, has exclusive nationwide jurisdiction over significant narcotics cases. Delays in expanding its capacity could adversely affect U.S. and Afghan government efforts to combat the illicit drug trade in Afghanistan. Both the State Department and the U.S. Army Corps of Engineers concurred with SIGAR's assessment and indicated they would work closely together to overcome obstacles so that construction of needed facilities can proceed.

### Management and Oversight of Key Programs

SIGAR is tackling this issue through a series of audits that assess management controls. SIGAR will issue a report this week on the Commander's Emergency Response Program (CERP) in Afghanistan, which is intended to fund primarily small-scale humanitarian and reconstruction programs at the local level. The Defense Department has provided \$1.6 billion for CERP projects in Afghanistan since 2004. SIGAR found that while the Defense Department has established procedures to ensure proper controls and accountability for CERP funds, those procedures have not been consistently implemented. In addition, the management of CERP has insufficiently focused on the monitoring of project completion and results, in favor of meeting the requirements for the obligation of funds. To improve the management of CERP and ensure sufficient oversight of funds, SIGAR has recommended that the Commander of USFOR-A develop a process to systematically collect and track information on CERP projects; implement a solution for centralizing CERP records; and develop a plan to address the management of large-scale projects of \$500,000 or higher.

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<sup>2</sup> The High Office of Oversight (HOO) is an Afghanistan Government entity reporting to the President that oversees the implementation of the Anti-Corruption Strategy and coordinates the implementation of administrative procedural reform in the country.

## Coordination and Effectiveness of Reconstruction Programs

U.S. and other donor funds are essential to rebuilding Afghanistan. As the amount of funding increases, so does the importance of coordinating activities. Without an effective management information system or other means to provide a complete view of reconstruction efforts undertaken by the various entities operating in Afghanistan, there is an increased chance of duplication of efforts, conflicting ventures, and wasted resources. In July, we recommended that the U.S. civilian agencies and military commands work together toward developing an integrated management information system to provide a common operating picture of reconstruction programs and projects.

In addition to coordinating among U.S. agencies, the U.S. strategy calls for greater coordination and cooperation with the international community. This is one reason why we have initiated a series of performance audits of individual development sectors. In our first audit of this type, we are reviewing U.S. and other donor assistance to the energy sector and how effective it has been. Our report will be issued in October.

## Infrastructure Construction

Billions of dollars have been spent to construct roads and buildings in Afghanistan, and U.S.-funded construction continues in many parts of Afghanistan. We have hired engineers, inspectors, and auditors to work together to inspect the infrastructure projects to determine whether or not the construction meets articulated standards and that the facilities are being used as intended. Our initial observation is that there has been too little attention paid to sustainment of these projects following the handover. Our first infrastructure inspection of the Khowst Power Plant identified this as a concern and recommended that sustainment be considered for each contract going forward. Investing U.S. taxpayer dollars in projects that are not maintained will be wasteful and will not contribute to U.S. goals for Afghanistan.

SIGAR is currently completing draft reports on five infrastructure inspections. These include a \$6.6 million road project, and a series of four different school projects. We anticipate release of these reports in the fall.

SIGAR has just completed a site visit of the Kabul Power Plant and Switchyard and has three inspectors who are reviewing the development of contract requirements, including involvement of Afghan government officials, contractor compliance with contract terms and specifications, and whether or not the Afghans have the capacity to maintain the facility, which represents a major investment of U.S. taxpayer funds.

## Management of Provincial Reconstruction Teams

The U.S. strategy relies heavily on Provincial Reconstruction Teams (PRTs) to improve governance and development throughout the country. Under the new strategy, additional U.S. civilian personnel will be sent to work at the PRTs. SIGAR is inspecting the management and operational capabilities of these teams. We will issue reports on these inspections next month. SIGAR auditors will also assess the effectiveness of the PRT concept in bringing governance and development to the provinces. This oversight by our inspectors and auditors will enable SIGAR to assess the impact of the civilian surge on governance and economic development over time.



## Criminal Misconduct

Identification, investigation, and prosecution of fraud, waste, and abuse are integral components of SIGAR's oversight mission. SIGAR, in concert with the federal law enforcement community, through the International Contract Corruption Task Force, is aggressively pursuing allegations to ensure that the United States achieves maximum results on criminal, civil, and contractor debarment remedies. SIGAR is committed to maximizing recoveries to the United States and cost avoidance. Between SIGAR and the Task Force partner agencies, there are approximately 24 agent investigators in Afghanistan. SIGAR investigators have initiated over 30 criminal inquiries 25 of which are active cases. At least 35 federal prosecutions have been opened against either individuals or contractors. One recent investigation resulted in the conviction of two Afghan-Americans offering bribes related to fuel shipments. Another case, related to logistics support, has resulted in cost avoidance for the United States of over \$4 million. As investigations increase, we expect convictions, recoveries, and contractor debarments to increase.

## Afghan Perceptions

The U.S. strategy includes the development of a communications plan to reach out to the Afghan public as part of the counter-insurgency effort. SIGAR recognizes that how Afghans perceive reconstruction is critical to the success of the new U.S. strategy. We are currently developing a poll designed to elicit Afghan views of the U.S. and international effort to rebuild their country. The survey results will supplement our oversight work to better focus the reconstruction effort.

## COORDINATION OF OVERSIGHT

The Inspectors General community is acutely aware of the need to coordinate our work to avoid duplication, reduce demands on the agencies operating out of the U.S. Embassy and the PRT's and elsewhere, while also ensuring broad oversight. SIGAR is a member of the Southwest Asia Joint Planning Group (SWAJPG) as well as the Pakistan/Afghanistan subcommittee of the SWAJPG that coordinates oversight activity in Afghanistan and Pakistan. In addition, SIGAR notifies the Inspectors General community and the Government Accountability Office in advance of the scope and objectives of our planned audits and inspections. This process has proved very effective and enabled SIGAR to alter the objectives and scope prior to starting work, based on information from other oversight institutions on their ongoing and planned work. This has avoided duplication of work.

## SIGAR IS ACHIEVING RESULTS

We are a new organization. SIGAR received its initial funding about a year ago. Our mission is difficult and dangerous as much of our work is conducted in a war zone. It has taken time to establish our offices and hire the people who are capable and willing to do this work. Notwithstanding, we have made huge strides and we are producing results. As of September 4, 2009, we have issued four quarterly reports required by our legislation, and five audit and inspection reports--each with recommendations for change. Another two draft reports are at U.S. agencies for comment. We have over 12 ongoing audits and inspections and we expect to issue five or more reports before the end of this month. SIGAR's investigative work has resulted in over \$4 million in cost avoidance and incarcerating 2 people; and our investigators are working

25 active cases. We have 19 staff in Afghanistan asking questions, developing evidence, and writing reports. And we have a Hotline in the U.S. and Afghanistan so that people can report allegations of fraud, waste, and abuse.

But our impact is more than just this. U.S. agencies in Afghanistan and in Washington and their civilian and military personnel know we are looking at the reconstruction programs—how the programs are managed, if they are effective, and if they are subject to waste and corruption. The Afghan Government also knows that we are on the scene. This presence, we believe, has a deterrent effect.

My office is currently providing oversight of many of the priority issues that the U.S. government has identified as central to its new strategy. We believe that robust oversight is essential for the successful implementation of reconstruction programs in Afghanistan and we are working hard to provide it.

I welcome your questions.



# **SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION**

## **COMPLETED REPORTS**

**SIGAR Audit-09-01** *Contract Oversight Capabilities of the Defense Department's Combined Security Transition Command-Afghanistan (CSTC-A) Need Strengthening*, May 19, 2009

**SIGAR Audit-09-02** *UN Action Urged to Strengthen Afghanistan Capacity to Support Future Elections*, July 6, 2009

**SIGAR Inspection-09-01** *Inspection of Improvements to the Khwost City Electrical Power System: Safety and Sustainability Issues Were Not Adequately Addressed*, July 28, 2009

**SIGAR Audit-09-03** *A Better Management Information System Is Needed to Promote Information Sharing, Effective Planning, and Coordination of Afghanistan Reconstruction Activities*, July 30, 2009

**SIGAR Audit-09-04** *Actions Needed to Expedite Construction of Additional Detention Cells at the Counter-Narcotics Justice Center*, August 27, 2009

## **DRAFT REPORTS**

**SIGAR Audit-09-05** *Increased Visibility, Monitoring, and Planning Needed for Commander's Emergency Response Program in Afghanistan* (to be issued around September 8, 2009)

**SIGAR Audit-09-06** *Strategy and Resources Needed to Sustain Afghan Electoral Capacity* (to be issued around September 18, 2009)

**SIGAR Inspection-09-2:** *Mahmood Raqi to Nijrab Road Construction Project in Kapisa Province: Contract Requirements Met, But Sustainability Concerns Exist* (to be issued around September 20, 2009)

# ONGOING PROJECTS

## Audits

### **Review of Agencies' Management Oversight, Procedures, and Practices for Reconstruction Funds and Projects (SIGAR-002A)**

Objective: To conduct a broad assessment of how agencies are managing the reconstruction program. Work will include an examination of controls and accountability over funding flows, project development, project management organizations and staffing levels, performance metrics, and nature of funded activities. We have previously reported on oversight at CSTC-A and are currently reviewing oversight at USAID.

### **Review of Contractor Performance and Agency Oversight of U.S. Government Contracts in Afghanistan with Louis Berger Group (SIGAR-003A)**

Objective: Describe the number and volume of contracts that U.S. agencies have with the Louis Berger Group and assess the agencies oversight of the contractor and contractor performance, to include existing audit coverage and results.

### **Review of U.S. and International Donor Programs to Assist Afghanistan's Energy Sector (SIGAR-004A)**

Objective: Conduct an overall assessment of U.S. and international programs to rebuild Afghanistan's energy sector. Work will: 1) Identify U.S. and international goals for reconstruction and sustainment of Afghanistan's energy sector; 2) Determine what performance metrics are used to determine if project milestones and outcomes are adequately tracked; 3) Assess progress and results of energy sector reconstruction efforts against the Afghanistan National Development Strategy and other criteria; 4) Assess coordination between U.S. and international agencies in energy sector reconstruction; 5) Assess Afghan participation in decisions and implementation of reconstruction programs.

### **Review of U.S. Assistance for the Preparation and Conduct of Presidential and Provincial Council Elections in Afghanistan (SIGAR-006A)**

Objectives: 1) Identify elections assistance funded through the U.S., as well as the amount of and extent of donor support and coordination, for the preparation of the upcoming elections in August 2009; 2) Assess the effectiveness of the preparation for elections overall, including such areas as voter registration, voter education, polling center security, ballot box integrity, and vote counting procedures; and 3) Identify strengths/weaknesses of the election process, after the election, and lessons learned for future elections. We have previously issued a short report and are drafting a second on preparations for the elections. We will issue a third report on women's issues associated with the elections and a fourth report on conduct of the elections.

### **Review of U.S. and Other Donor Efforts to Address and Build Afghanistan's Capacity to Address Corruption (SIGAR-007A)**

Objective: Review of oversight and anti-corruption capabilities and performance of the Afghan government, U.S. and donor efforts to strengthen the capabilities, and internal controls and accountability for U.S. funds used by selected Ministries.

**Review of U.S. and Other Donor Efforts to Address and Build Afghanistan's Capacity to Address Corruption in the Provincial Governments (SIGAR-008A)**

Objective: Review of oversight and anti-corruption capabilities and performance of the Afghan provincial governments, U.S. and donor efforts to strengthen the capabilities, and internal controls and accountability for U.S. funds used to support these activities.

**Agencies' use of contractors to provide security for reconstruction programs in Afghanistan (SIGAR-009A)**

Objectives: Describe the number and volume of contracts to provide security services in Afghanistan and the extent to which these contracts are for reconstruction activities, determine extent of audit oversight of these contracts by GAO and the Inspector General community, assess agencies' supervision and management of the security contractors and personnel, and identify contractor capabilities and performance strengths and weaknesses.

**Review of the Use of Funds Earmarked for Afghan Women and Girls (SIGAR-010A)**

Objectives: identify how the funds were used and the extent their use complied with legislative requirements, assess how agencies measure effectiveness of the programs, and assess plans for project sustainability.

**Review of the Capabilities of Afghanistan's High Office of Oversight (SIGAR-011A)**

Objectives: Examine capability and performance of HOO, identify U.S. and donor assistance to strengthen the HOO, and determine the effectiveness of U.S. and other donor assistance programs with the HOO.

**Review of the Capabilities of the Afghan National Security Forces (SIGAR-012A)**

Objectives: Identify the procedures by which ANSF capabilities are measured and verified, assess the extent to which readiness assessment methods vary between and within the Afghanistan National Army and Afghanistan National Police, determine to what extent the capability rating system provides a reliable profile of ANSF capabilities, and identify the extent to which challenges have impeded the U.S. ability to assess ANSF capabilities.

**Public Opinion Polling** We will begin periodic public opinion polling in the fall of 2009 to assess Afghan opinions and perceptions regarding various reconstruction issues.

## **Inspections**

**Inspection of Management and Operational Capabilities of Kapisa PRT (SIGAR-002-I)** Objectives: To determine whether or not the PRT is: 1) Staffed adequately to conduct its reconstruction mission; including U.S. Government inter-agency representation; Coordinating U.S. reconstruction efforts with interagency partners, coalition partners, Afghan authorities and other stakeholders; Adequately executing project management and contract oversight responsibilities; Complying with applicable Commanders' Emergency Response Program and ISAF guidelines; Facilitating the ability of the GIRoA to sustain the infrastructure improvements provided by U.S. funding; Ensuring an effective handover and transfer of tasks to successive PRT commanders and staff. SIGAR will identify several CERP-funded projects while conducting the PRT site visit, on which to conduct infrastructure inspections.

**SIGAR's Infrastructure Inspections have the same objectives, unless otherwise noted.** Objectives: the requirements of the contract were adequately identified and the contract effectively addressed the requirements identified during the development of the project; the completed work met the required terms and scopes of work as defined in the contracts; the U.S. Government provided adequate oversight of the project; and, the Government of the Islamic Republic of Afghanistan (GIRoA), at both provincial and local levels, is able to operate and maintain the infrastructure in a safe and sustainable manner.

**Inspection of Farukh Shah School Construction Project, Kapisa Province, (SIGAR 002b-I)**

**Inspection of Abdul Manan School Construction Project, Kapisa Province, Afghanistan: Inadequate Oversight Leads to Poor Construction (SIGAR 002c-I)**

**Inspection of Habib Rahman School Construction Project, Kapisa Province, Afghanistan: Inadequate Oversight Leads to Poor Construction (SIGAR 002d-I)**

**Inspection of Kohi Girls School Construction Project, Kapisa Province, Afghanistan: (SIGAR 002e-I)**

**Inspection of Reconstruction Management and Capabilities of Farah PRT (SIGAR-003-I)** Objectives: To determine whether or not the PRT is: staffed adequately to conduct its reconstruction mission; including U.S. Government inter-agency representation; coordinating U.S. reconstruction efforts with interagency partners, coalition partners, Afghan authorities and other stakeholders; adequately executing project management and contract oversight responsibilities; complying with applicable Commanders' Emergency Response Program and ISAF guidelines; facilitating the ability of the GIRoA to sustain the infrastructure improvements provided by U.S. funding; Ensuring an effective handover and transfer of tasks to successive PRT commanders and staff.

**Inspection of Farah Radio and Television Broadcast Studio, Farah Province (SIGAR-003a-I)** Objectives noted above.

**Inspection of Togj Bridge, Farah Province (SIGAR 003b-I)** Objectives noted above.

**Inspection of Kabul Power Plant** (SIGAR Project 004a-I) Objectives: Whether or not: the contract documents were developed to reflect the requirements that were identified during the development of the Project; coordination activities were conducted with GIRoA and interested members of the Afghan public; completed and/or in-process work complied with the terms and conditions of the contract; the U.S. Government provided adequate oversight and quality assurance; the GIRoA has the capacity to maintain the infrastructure following handover.

**Inspection of Kabul Switching Station** (SIGAR 004b-I) Objectives: Whether or not: the contract documents were developed to reflect the requirements that were identified during the development of the Project; coordination activities were conducted with GIRoA and interested members of the Afghan public; completed and/or in-process work complied with the terms and conditions of the contract; the U.S. Government provided adequate oversight and quality assurance; the GIRoA has the capacity to maintain the infrastructure following handover.

## **PLANNED PROJECTS**

### **Audits**

#### **U.S. Training Program for Afghanistan Female Police**

Identify goals of U.S. and international efforts in building Afghanistan's national female police force, identify nature and extent of U.S. funding for these activities, and assess progress made. (estimated start Sept 2009)

#### **Review of Salary Payments To Afghanistan National Security Forces**

Objective: Examine the internal controls and accountability for salary payments made to members of the Afghanistan National Security Forces. (estimated start October 2009)

**Review of Transportation Modes and Procedures for the Reliable Delivery of Reconstruction Goods and Supplies, Including Controls and Accountability.** Possible joint review (SIGAR/DOD-IG). Objective: Identify controls and accountability in place for the transit of reconstruction goods and supplies from ports of entry to destinations in Afghanistan and determine effectiveness of contracts for transportation services. (estimated start December 2009)

**Status of Reconstruction Funding for Afghanistan (U.S. and Other Donor Funding)** Objective: Identify the sources and uses of funds, and restrictions that may apply; examine reliability of funding data; and examine reasons for unobligated funds and unexpended obligations. (Estimated start November 2009)

#### **Review of Contractor Performance, Cost and Agency Oversight of U.S. Government Contracts in Afghanistan with MPRI**

Examine contract outcome, cost, and management oversight for MPRI's training program contract with CSTC-A (estimated start Dec 2009)

### **Review of Contractor Performance and Agency Oversight of U.S. Government Contracts in Afghanistan with Chemonics**

Examine contract outcome, cost, and management oversight for activities funded under Chemonics contract. (estimated start Dec 2009)

### **U.S. and International Donor Programs to Assist Afghanistan's Agriculture Sector**

Objective: Conduct an overall assessment of U.S. and international programs to assist Afghanistan's agriculture sector. Work may: (1) Identify U.S. and international goals for reconstruction and sustainment of Afghanistan's agriculture sector; (2) Determine what performance metrics are used to determine if project milestones and outcomes are adequately tracked; (3) Assess progress and results of agriculture sector reconstruction efforts against the Afghanistan National Development Strategy and other criteria; (4) Assess coordination between U.S. and international agencies in agriculture sector reconstruction; and (5) Assess Afghan participation in decisions and implementation of reconstruction programs. (estimated start October 2009)

### **U.S. and International Assistance to Afghanistan's Education Sector**

Objective: Conduct an overall assessment of U.S. and international programs to assist Afghanistan's education sector. Work may: (1) Identify U.S. and international goals for reconstruction and sustainment of Afghanistan's education sector; (2) Determine what performance metrics are used to determine if project milestones and outcomes are adequately tracked; (3) Assess progress and results of education sector reconstruction efforts against the Afghanistan National Development Strategy and other criteria; (4) Assess coordination between U.S. and international agencies in education sector reconstruction; and (5) Assess Afghan participation in decisions and implementation of reconstruction programs. (Estimated start January 2010)

### **Controls and Accountability of U.S. Funds for the Basic Package of Health Services**

Review controls and accountability in place for U.S. funds used in the Basic Package Health Services of the Ministry of Health, identify nature of projects funded, and assess capabilities and progress of MoH to implement accountability procedures. (estimated start October 2009)

### **Controls and Accountability of U.S. Funds for the Afghanistan National Solidarity Program**

Review controls and accountability in place for U.S. funds used in the National Solidarity Program of the Ministry of Finance, identify nature of projects funded, and assess capabilities and progress of MoH to implement accountability procedures. (estimated start December 2009)

### **Effectiveness of the Provincial Reconstruction Team Strategy and Programs**

(estimated start December 2009)



**Accountability and controls for U.S. funds for salaries of Afghanistan's civil servants** (estimated start January 2010)

**U.S. and Other Donor Efforts to Develop Afghanistan's Private Sector**

(estimated start January 2010)

**Strategic Assessment of U.S. Political, Military, and Economic Goals for Afghanistan** (estimated start January-February 2010)

## **Inspections**

**Effectiveness of Agro-business Development Team (ADT) CERP Projects:** (SIGAR 005-I *et seq*)

Objective: Follow-up on preliminary site visits conducted earlier this year. Conduct inspections of several agriculture-related projects that are being developed and implemented using CERP funding to assist Afghans in developing the capacity to produce diverse crops using non-traditional farming methods. Examine types of projects, sustainability and prospect of effectiveness (estimated start October-November 2009)

**Inspections of Management and Operational Capabilities of Zabul Provincial Reconstruction Teams:**

(SIGAR 006-I) Objectives: To determine whether or not the PRT is: 1) Staffed adequately to conduct its reconstruction mission; including U.S. Government inter-agency representation; Coordinating U.S. reconstruction efforts with interagency partners, coalition partners, Afghan authorities and other stakeholders; Adequately executing project management and contract oversight responsibilities; Complying with applicable Commanders' Emergency Response Program and ISAF guidelines; Facilitating the ability of the GIRoA to sustain the infrastructure improvements provided by U.S. funding; Ensuring an effective handover and transfer of tasks to successive PRT commanders and staff. SIGAR will identify several CERP-funded projects while conducting the PRT site visit, on which to conduct infrastructure inspections (estimated start: November 2009)

**Additional Inspections of Management and Operational Capabilities of PRTs throughout Afghanistan**

(estimated starts: various dates in 2010) (SIGAR 007-I *et seq.*)

**Program of Infrastructure Inspections of Construction and Utilization of Facilities Built for ANSF**

**(funded and managed by CSTC-A)** (SIGAR 008-I *et seq*) Objective: Identify number and facilities built for the ANSF throughout Afghanistan by CSTC-A (and predecessor organizations) and conduct inspections of construction work for quality, utilization and sustainability in order to determine whether: the requirements of the work were adequately developed; the work has been accomplished in compliance with contractual terms and technical specifications; the U.S. government quality assurance is or was adequate; the GIRoA has the capacity to sustain the U.S. investment following handover of the project (estimated start: October 2009; ongoing)

**Infrastructure Inspections of Joint Regional Readiness Center (JRRRC)-Kandahar Air Field, Kandahar Province (SIGAR 008a-I)** Objective: Conduct inspection of construction work at the JRRRC and conduct inspections of construction work for quality, utilization and sustainability in order to determine whether: the requirements of the work were adequately developed; the work has been accomplished in compliance with contractual terms and technical specifications; the U.S. government quality assurance is or was adequate; the GIRoA has the capacity to sustain the U.S. investment following handover of the project (estimated start: October 2009)

**Review of ISAF and USFOR-A Training Programs for Provincial Reconstruction Team Commanders and Personnel (SIGAR 009-I)** Objective: Follow up on initial observation of USFOR-A PRT training in June 2009. Determine what, if any, gaps exist between USFOR-A and ISAF training (estimated start: October 2009)